GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:262
ANSWERED ON:16.03.2007
STRENGTHENING OF POWER TRANSMISSION AND DISTRIBUTION SYSTEM
Satheedevi Smt. P.

Will the Minister of POWER be pleased to state:

(a) whether the Government proposes to restrengthen the power transmission and distribution system in the country ;

(b) if so, the details thereof ;

(c) whether the private agencies are likely to be involved in power transmission and distribution in the country; and

(d) if so, details thereof ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a)to(d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 262 TO BE ANSWERED IN THE LOK SABHA ON 16.03.2007 REGARDING STRENGTHENING OF POWER TRANSMISSION AND DISTRIBUTION SYSTEM.

(a)&(b) : Strengthening of transmission and distribution system is an ongoing process. Power Grid Corporation of India (PGCIL) the Central Transmission Utility of the country, has been entrusted with the responsibility of development of inter-State and inter-regional transmission system for transfer of power from various Central Sector generation projects as well as for strengthening of the grid. Accordingly, Extra High Voltage (EHV) transmission system has been developed by PGCIL for transfer of allocated power to different beneficiaries. In line with the above, a National Grid having an inter-regional power transfer capacity of 11,500 MW has already been developed and it is envisaged to be enhanced to 18,400 MW in 2007 and more than 37,000 MW by the end of 11th Plan. The Details of inter-State transmission schemes completed during the 10th Plan are at Annex. I.

The responsibility of development of intra-State Transmission system and distribution system rests with the State Transmission Utilities and distribution licensees concerned.

For improvement in Sub-Transmission and Distribution system the Government of India has launched two schemes namely Accelerated Power Development and Reforms Programme (APDRP) for improvement of sub- transmission and distribution system in urban areas and Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) for electrification of all unelectrified villages by 2009. Under APDRP a total of 571 projects have been sanctioned at an estimated cost of Rs.17033.58 crores. The amount released to the States as on 31.12.2006 was Rs.6574.89 crores and the amount utilised is Rs.10139.24 crores including counterpart funding. Under the RGGVY 33,374 villages have been electrified till

9.3.2007.

(c) & (d) : The Power Grid Corporation of India has taken action/initiated action for implementation of transmission systems through JV as well as 100% private participation route. The details are at Annex. II. Besides, the Government of India has issued guidelines for encouraging competition in the development of transmission projects. Guidelines for tariff based competitive bidding for transmission services have also been issued by the Government of India. An Empowered Committee, constituted as per the provisions of these guidelines have identified 14 transmission projects for private participation. For encouraging private sector participation in Intra-State Transmission System, the responsibility rests with State Governments and State Transmission Utilities.

Under the Electricity Act, 2003, transmission and distribution of electricity are licensed activities and the license for these activities are given by the Appropriate Electricity Regulatory Commission. 16 private distribution companies are presently functioning in various parts of the country. The details of the Distribution companies are at Annex. III.

One of the conditionalities for implementation of RGGVY in a State is the appointment of Franchisees for improving commercial viability of distribution. Franchisees have been appointed in over 39,000 villages so far.